

Amendment No. 1 to SB2112

McNally
Signature of Sponsor

AMEND Senate Bill No. 2112

House Bill No. 2038*

by deleting all the language after the enacting clause and by substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 67-6-103, is amended by adding the following as a new, appropriately designated subsection:

(_) Notwithstanding the allocations provided for in subsection (a), if a hotel or inn that is more than one-hundred fifty (150) years old is owned by a municipality and operated by an organization that has received a determination of exemption from the internal revenue service under Internal Revenue Code § 501(c)(3), then an amount shall be apportioned and distributed to the entity that is responsible for the retirement of the debt incurred in renovating the hotel or inn. The amount apportioned and distributed pursuant to this subsection shall be equal to the amount of state tax revenue derived under this chapter from the sale of goods and services on the premises of the hotel or inn; provided, however, that such apportionment and distribution shall be used exclusively for the retirement of debt incurred prior to April 1, 2009, including any interest thereon, in renovating the hotel or inn and shall continue only until such debt is retired. Notwithstanding any provision of this subsection to the contrary, no portion of the revenue derived from the increase in the rate of sales and use tax allocated to educational purposes pursuant to Acts 1992, ch. 529, § 9, and no portion of the revenue derived from the increase in the rate of sales and use tax from six percent (6%) to seven percent (7%) contained in Acts 2002, ch. 856, § 4, shall be apportioned and distributed pursuant to this subdivision. All such revenue shall continue to be allocated as provided in Acts 1992, ch. 529, and Acts 2002, ch. 856, respectively.

SECTION 2. This act shall take effect July 1, 2009, the public welfare requiring
it.